

ALB. 2. 1996-97
C. 2.

CANADIANA
MAR 28 1995

SEIZING OPPORTUNITY

The graphic features a dark blue background. In the upper left, there are several intersecting grey lines. A large, light grey rectangular block is positioned in the center. Overlaid on this and the background are several white lines: a solid line that trends upwards from left to right, a dashed line that follows a similar but slightly higher path, and a dotted line that fluctuates below the solid line. At the bottom of the image, there is a group of stylized white figures, some appearing to be holding hands or standing together. The overall composition suggests themes of growth, progress, and collective effort.

Alberta's
New
Economic
Development
Strategy



Digitized by the Internet Archive
in 2015

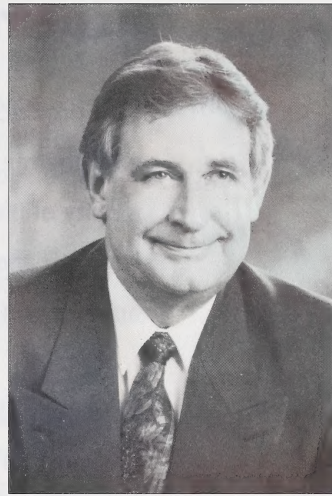
<https://archive.org/details/seizingopportuni00klei>

OPEN LETTER TO ALBERTANS

When I became Premier, I made a commitment to Albertans. I promised an economic strategy to turn our economy around after a hard recession, and to prepare us to do well in the 21st Century.

This is that plan — a strategy to create jobs and ensure that Alberta remains competitive in a rapidly changing global economy.

Alberta is at a crossroads.

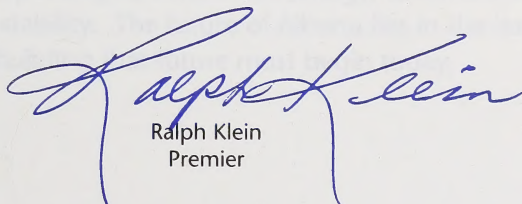


We have many strengths to build upon — a foundation on which Albertans can create wealth and jobs, to maintain our high standard of living and exceptional social programs. But, we must act now with confidence, taking full advantage of the opportunities before us, if we are to build a better future for ourselves and our children.

Alberta's new economic development strategy is based on changing the roles of, and relationships between, government, the business community and individual Albertans. These changes are essential — in order to succeed in the future, we must have all of Alberta's economic players working together.

This strategy is based on clear principles of building on our strengths, working together toward a common goal, and setting our strategic targets for the future. Our key target is to see 110,000 new jobs created by the end of 1997 and to generate wealth that will be reinvested in Albertans communities and businesses.

Our history is full of examples where we have faced hardship and have overcome it. For the future of our province and people, we must once again gather the courage and the commitment to meet the challenges that lie ahead and seize the opportunities they hold.


Ralph Klein
Premier

ALBERTA TODAY

Our province's abundant natural resources have provided Albertans with the means to develop an enviable standard of living and overall quality of life. Despite these accomplishments, our economic strength and social well-being are at risk unless we find new ways to address and solve the challenges of an increasingly complex world.

In today's global economy, standing still means being left behind. We must be competitive and innovative to create the wealth necessary to sustain essential public infrastructure, affordable social programs, quality education and training, and a healthy environment. In essence, we must learn to outrun the fast pace of global change.

If we succeed, Alberta will maintain its reputation as a good place to live, work, and raise our families. Today's decisions — and tomorrow's performance — will determine whether we are able to maintain our standard of living, the social programs we have come to expect, and our social and economic stability.

This strategy acknowledges that wealth creation can no longer depend upon natural resources or investment in traditional infrastructure. In the future, we must rely on the skills and ingenuity of our workforce to add value to both traditional and new areas of economic activity. To be successful, we must build on our worldwide reputation for producing high quality, value-added products and services that others want to buy.

*“The
need for
Albertans
to support change
is urgent.”*

*Report to Albertans, Alberta Financial
Review Commission, March 31, 1993*

THE CHALLENGES FACING ALBERTANS

As we move toward the year 2000 and beyond, many forces of change will influence Alberta's economic well-being. Based on the realities of surviving and succeeding in today's world, we must adapt quickly and aggressively in order to position Alberta for future growth.

- Government deficits and debt are crippling economic burdens on this and future generations, and must be addressed in concrete terms.
- Fundamental and rapid global economic changes and their impact on Alberta, are creating a critical need for new and innovative methods of generating wealth. We must invite, explore and support innovative thinking and new approaches to economic development.
- The design, delivery and financing of our education and training systems must adapt to changing social and economic realities. In response to an increasing pace of change, individuals must embrace an attitude of lifelong learning and skills updating.
- Sustainable development — *managing progress on the economy and the environment at the same time* — must form the context for provincial economic strategies. We must link environmental and economic agendas if we are to see future benefits from either.
- New strategies are required to design, deliver and finance social programs which meet real needs while balancing efficiency and fairness. Strong social programs contribute to economic viability, and a strong economy contributes to increased self-reliance. Social and economic policies are linked, and must not be pursued in isolation from each other.
- New decision-making processes are needed to encourage consensus and public support for the fundamental changes required in the future. Roles and responsibilities of government, businesses, communities and individuals must all be re-evaluated, and adjusted to provide a more effective model of economic development.

While there are many dimensions to the challenges we face, it is important to recognize that government is only one part of the equation. All Albertans have a stake in working together, pooling resources and energy, to ensure continued economic growth and stability. The future of Alberta lies in the hands of all of us — and the task of building that future must begin today.

A VISION FOR ALBERTA'S FUTURE

Hundreds of thousands of Albertans throughout the province have made their views known through the **Toward 2000 Together**, **Creating Tomorrow**, **Vision 2000**, **Premier's Council on Science & Technology**, the **Local Development Initiative**, **Tourism 2000**, and **Special Places** exercises. These consultations have produced an amazing degree of consensus about what issues we must tackle as a society.

*"Government's role
in economic
development is to
build a climate
conducive to
investment, wealth
generation and
job creation."*

The people of Alberta have told us that, as we move ahead to the year 2000, the provincial government must adapt — quickly and comprehensively. The message we received was very clear: government has an essential role to play in encouraging economic growth, but its role must change from that of direct intervenor to partner and facilitator. Government will become one of the players and not the driver, and alliances will be industry-led and market-driven.

In place of direct financial assistance, we will look to new methods of stimulating economic development — methods like removing taxes and regulations that impair business competitiveness; and improving small business access to financing.

The Alberta government will become less directly involved in managing the economy, and will move toward building new and innovative networks and alliances among stakeholders. Together, we will create solutions and implement coordinated strategies that lead to economic growth.

There will be times when it will be necessary to enter into strategic alliances with industry in order to encourage specific economic development or diversification projects. The principle that will guide involvement in these projects is that of sharing the risk between government and the private sector. The Alberta government will only become directly involved in the marketplace in exceptional circumstances and when success requires public involvement.

The Alberta government is committed to opening up the decision-making process and making it accessible to Albertans. A guiding principle of the new strategy is ensuring that Albertans play an integral role in finding solutions to social and economic problems.

Many minds working on the same problem from different perspectives can only benefit this province. Decision-making that invites, rather than excludes, participation is conducive to building the partnerships necessary for the future.

Reliable, modern infrastructure is an important component in economic development. Moving away from providing direct financial assistance to individual businesses, the Alberta government will focus on developing the necessary infrastructure to promote economic growth. Investment in infrastructure will be closely linked to evolving industrial needs and the province's economic development objectives.

Transportation links, especially freight transportation and distribution networks, will benefit from infrastructure development. But, we must also look beyond conventional tools to promote economic growth. Research and development facilities, communication networks, and related infrastructure will be targeted as a priority to build our knowledge-based economy.

ALBERTA'S NEW ECONOMIC STRATEGY

New Role for Government

- build a climate conducive to investment, wealth generation and job creation
- facilitate economic development by providing services and information
- support industry-led economic development
- build strategic partnerships with business and communities
- move away from direct financial assistance to other means such as infrastructure development and rates of taxation
- set up and maintain open and participative decision-making processes to develop effective solutions to social and economic issues


Principles of Economic Development

- a facilitation role for government
- a cooperative approach through facilitation
- a focus on competitiveness and innovation
- a need for diversification and building value-added industries
- a need to promote research and technology
- a leader in sustainable development
- quality education and training
- quality healthcare and social services
- a commitment to fairness and equality of opportunity



Fiscal Issues

- 4 year plan to balance the budget
- create a more competitive tax environment
- improve efficiency of government operations
- reduce or eliminate financial assistance to business



Strategic Opportunities for Wealth Creation

- construction, engineering and design
- environmental services, technologies and products
- telecommunications and information technologies
- telecommunications and electronics
- aerospace and advanced materials
- health and medical services and biotechnology
- transportation



International Strategy

- target \$24 billion in exports by 1996
- increased consultation with the business community
- reorganize and refocus international offices



Research and Innovation

- improve management and coordination of research and development activities and budgets
- develop innovative models to foster research and development
- focus on commercialization of research developments
- examine options for funding for industrial investment and research
- foster a science, technology and entrepreneurial attitude
- develop a highly educated workforce



Building on Strengths

- Agriculture and Food: target value-added activities
- Petroleum and related industries: deregulate and simplify accounting for the industry
- Forestry: target manufacturing and value-added
- Tourism: target tourism receipts of \$4.4 billion by 2000
- Small Business: ensure policies and programs support development of small business throughout Alberta
- High Technology Infrastructure: target commercialization of research and increased exports



Community-Based Development

- changing roles and processes
- Local Development Initiative
- Alberta Local and Diversification Bonds Pilot Projects
- Risk Insurance Fund



Regulatory Environment

- a two-phase review of all regulations and legislation
- sunset clauses on new regulations
- streamline administrative practices
- equalize the cost of generating and transmitting electricity



Intergovernmental Partnerships

- reduce overlap and duplication
- environment
- reduce interprovincial trade barriers
- joint trade/tourism promotion
- regional industry alliances in agriculture
- transportation



Job Creation and Skill Development

- build a skilled and flexible workforce
- target 110,000 jobs created over 4 years



FISCAL ISSUES

- **4 Year Plan to Balance the Budget**

As part of a new economic framework for Alberta, the first priority of the Alberta government is to achieve a balanced budget over four years. Large accumulated debts threaten our standard of living and our ability to maintain high quality social and education systems, and a competitive tax environment.

While deficit and debt reduction is a high priority, caution will be taken to ensure that short term actions to reduce the budget deficit do not adversely impact on Alberta's longer term economic growth.

1993/94 is the first year of the four year plan to balance the budget. The Provincial Budget will be tabled shortly and will emphasize reduced government spending.

- **Create a More Competitive Tax Environment**

A critical challenge is to ensure Alberta offers a competitive tax environment, not just relative to other provinces, but also in comparison with the United States and other countries.

Alberta enjoys the lowest tax rates in Canada, and is the only province without a provincial sales tax. There are no provincial payroll or general capital taxes, which are prevalent elsewhere.

We must ensure Alberta businesses have competitive tax advantages so they continue to flourish in Canada and around the globe. The Alberta government will launch a comprehensive review of all taxation policies and methods, in full consultation with the public. The review will include the Machinery and Equipment Tax, corporate pooling for education, the hotel tax, corporate tax rate, and other taxation issues which have been identified through consultation as compromising a competitive tax regime.

Taxation reform recommendations will be incorporated into the 1994/95 budget — Year 2 of the four-year fiscal plan.

- **Improve Efficiency of Government Operations**

The size of the Alberta civil service has been cut by 20%, over 6,000 full time employees, since 1985/86. This includes 1,800 people who took the Early Voluntary Options Program in 1993.

There is still room for further consolidation and improved efficiency without adversely affecting the delivery of essential government services. Every department has been instructed to look at new ways to cut costs and bring an entrepreneurial management style to public administration. The government has already begun this task with recent initiatives coordinated by the Government Reorganization Secretariat.

The government is proceeding to implement:

- the Alberta Consumer Assistance Registry Services, consolidating services such as motor vehicle licenses, birth certificates, land title services, and society registrations in one office
- “one-stop” provincial offices across the province, offering services by departments such as Labour, Advanced Education and Career Development, Economic Development and Tourism, to better serve Albertans and achieve cost savings
- recommendations resulting from following a comprehensive review of all Agencies, Boards and Commissions to determine potential for amalgamation and downsizing to cut costs and duplication
- an ongoing review to examine ways of privatizing government services which can be operated in the private sector more economically

- **Reduce or Eliminate Direct Financial Assistance to Business**

In the public consultations, many Albertans recommended reducing or eliminating the level of provincial assistance to organizations and businesses. They also stated that a more thorough process of evaluating the cost and effectiveness of existing programs is necessary to ensure that program funding is closely linked to results.

The government has created Standing Policy Committees to ensure that an ongoing program review is in place and that clear criteria for grant programs are established and available to the public.



RESEARCH AND INNOVATION

Science, technology, and industrial innovation are critical components of economic growth and diversification. It is clear that the old industrial economy is giving way to a new economy that is centered on information and leading-edge technologies. Investment in new technology and its commercialization is essential to keep pace with our competitors, and to generate wealth and create jobs. Science and technology is one of the main economic drivers of the 1990s, and is a substantial creator of wealth and jobs in our province.

To advance science and technology as an integral part of the province's economy and culture, the Alberta government endorses the following initiatives which can be achieved within the current budgets for research, and with efficiencies resulting from better coordination:

- improve management and coordination of research development activities and budgets to ensure maximum economic impact and cost-effectiveness
- develop innovative models to foster research and development, which encourage joint university/industry research and promote Alberta as a desirable location for science and technology organizations
- substantially increase the focus on commercialization of research and development, through activities which include the development of an industry-based technology commercialization organization to focus on market research, prototype development, and initiation of management teams capable of building a company around a technology
- examine options to increase available funding for industrial investment in research and commercialization through public and private venture capital funds
- foster positive attitudes toward entrepreneurship in science and technology by informing and educating the public about science and technology issues relevant to their daily lives
- support increased development of a highly educated and trained workforce for employment opportunities created by the science and technology industry expansion

BUILDING ON STRENGTHS



The underlying strength of the Alberta economy, and the driving force behind much of its growth, has been the province's natural resource endowments — oil and gas, agriculture, forestry, and the natural scenic beauty which has made Alberta an international tourist destination.

• Agriculture and Food

Alberta has one of the world's most productive agricultural economies, totalling \$9.8 billion in direct commodities and food processing revenues.

Alberta's farm cash receipts, estimated at \$4.9 billion in 1992, represent one-fifth of the total value of Canadian primary agriculture production. Livestock and livestock products account for about half of all farm cash receipts in Alberta; wheat, barley and canola account for one-quarter. Food and beverage shipments amount to \$4.9 billion, and the economic value added by this sector is now around \$1 billion a year.

The government intends to pursue a number of initiatives to support economic growth in agriculture and food processing industries:

- In the future, we must find new ways to increase the value of our agricultural products. The Government has adopted the target, set out in *Creating Tomorrow*, of doubling the value of food processing shipments by 2010. A White Paper in response to *Creating Tomorrow* will soon be released, setting the stage for industry and government to work together to achieve this goal.
- Through extensive negotiations between the provincial and federal governments, we are close to having the Crow Benefit regulations changed to enable direct payment to producers. Federal legislation is expected to be introduced in time for an August 1, 1994 implementation.
- The development of ethanol plants in rural Alberta will be supported with a provision for a provincial tax fuel subsidy of up to nine cents per litre. Some grain deliveries to ethanol plants will be eligible for payments under the Crow Benefit Offset Program.
- Over the next four years, the Alberta government will work with the federal government, other provinces, and farmers to rationalize the existing patchwork of commodity support programs that often tend to distort production and marketing decisions and inhibit the further development of value-added industries.

• Petroleum and Related Industries

Alberta has over 80% of Canada's resources of conventional crude oil, over 90% of its natural gas, and virtually all of its bitumen and oil sands reserves. That extensive energy wealth has had a profound influence on the province's economy, supporting a wide range of resource-related activity.

In 1991, capital spending by oil and gas, pipeline and utility companies totalled \$7 billion, approximately 45% of all capital spending in the province. In that same year, energy exports of \$11 billion accounted for about 70% of total provincial exports. In addition, the petrochemical and fertilizer industry has evolved from the natural gas resource base to become one of the largest manufacturing industries in Alberta.

The government will take steps to ensure that Alberta's energy industry remains a strong contributor to the provincial economy:

- build on the consultation process which led to a revamping of the royalty system and an annual industry saving of approximately \$25 million
- continue to simplify royalty systems to reduce or eliminate administrative costs to both industry and government
- deregulate and simplify accounting processes for the industry

A healthy oil and gas industry means a healthy Alberta economy. The government is committed to maintaining an open and responsive relationship with the industry, while ensuring that the interests of resource owners — all Albertans — are protected.

• Forestry

The Alberta forest industry consists of more than 600 companies, ranging from small contractors and consultant services to large multinational corporations.

New pulp, paper, lumber and panel board facilities, recently completed or under construction, amount to more than \$3.5 billion in new investment activity. In 1992, industry shipments exceeded \$2.1 billion, with international exports totalling \$850 million. The value of shipments and exports are expected to nearly double with additional production capacity and improvements in pulp and paper prices.

The challenge for the forest products industry in Alberta will be to increase value-added activities and apply new technologies and processes to increase productivity. Government will ensure that development is managed properly, with a vital balance between economic growth and the protection of the environment.

In keeping with its commitment to sustainable development, the government will continue to pursue its policy of careful forest management as an investment in Alberta's future.

- **Tourism**

The tourism industry currently employs 100,000 people in Alberta, and generated close to \$3 billion in revenue in 1992.

The government undertook extensive consultation on tourism and the Tourism 2000 Advisory Panel has released its final report. In it, the panel identified a vision for tourism:

"In the year 2000, tourism in Alberta is a dynamic industry achieving its potential as a major contributor to the economic well-being of Albertans while enhancing their quality of life and preserving the integrity of the environment."

The government is adopting the objective set out in the Tourism 2000 report: to exceed projected tourism receipts of \$4.4 billion by the year 2000.

- **Small Business**

Alberta's small business community is the backbone of our economy. Over 90% of Alberta businesses are small businesses. More than 45% of all employment in this province, including 70% of all new jobs, is provided by small businesses.

In addition to the initiatives in this strategy which will contribute to a positive business climate, a number of measures have been identified to improve access to capital for start up businesses.

- strong support for changes to the Small Business Loans Act, increasing the federal government guarantee to 90% on loans
- partnership with business associations, municipalities and the federal government to coordinate services by establishing Business Centres in Edmonton and Calgary. The Centres will provide information on programs and services from one location and will be accessible to rural businesses through networking

- **High Technology Infrastructure**

Alberta has a significant infrastructure in place in the high technology industry, ranging from research institutes such as the Alberta Research Centre and TRILabs, to universities active in research, and an extensive pool of highly skilled labour employed in private sector firms.

Alberta's competitive high technology infrastructure gives the province important strategic advantages: supporting the capability of Alberta companies to test, apply and market new technologies; expanding opportunities for export; and providing an environment which attracts new businesses to Alberta.

The Alberta government will focus on facilitating commercialization of high technology research and the export of related products and expertise.



STRATEGIC OPPORTUNITIES FOR WEALTH CREATION

Building on our traditional economic strengths is only the first step to creating new wealth in our province. We must look hard at the new growth opportunities, such as advanced technologies, and take steps now to position Alberta for future development.

Alberta has a number of emerging industries that have developed strategic linkages and infrastructure to enhance their competitiveness and growth potential. These include:

- construction, engineering and design
- environmental services, technologies and products
- communications and information technologies
- telecommunications and electronics
- aerospace and advanced materials
- health and medical services and biotechnology
- transportation

From this existing infrastructure a competitive advanced technology industry is evolving. The role of government will be to facilitate private sector initiatives by helping to improve the overall level of competitiveness and by promoting innovation.



COMMUNITY-BASED ECONOMIC DEVELOPMENT

Community life has always been important to Albertans. The small towns and communities of rural Alberta supported the early growth and development of the province, and shaped the experiences and values of our people. Over the past decade, many of these small communities have experienced depopulation and economic decline. To address this issue, the Minister's Council on Local Development was established.

The paradox in community-based development is the need to "think globally - but act locally." There is no question that, as Albertans, we are impacted by international trends. There is also no question that there are opportunities for us to compete internationally and attract outside investment. But economic development is best generated from within the community, and from communities working together in order to generate greater economic development.

Communities are facing many challenges to respond to global trends:

- **Changing Roles and Processes**

The process for community economic development must change. In the past, the focus of most economic development strategies has been to look outside to attract non-resident investors. This must shift to focus on strategies which foster growth from within the community, through the initiative of local entrepreneurs and investors.

The role of government must also change. In the past, government has acted as an economic player, intervening in decisions and establishing priorities by offering new programs. In its new role as economic development facilitator, government will support community initiatives and provide economic infrastructure.

Communities must also take a new focus, developing new approaches for partnerships and cooperation within and outside their own community. A regional focus on economic issues allows several communities to pool their resources and work together to promote development. Within a community, partnerships with business, educational facilities, the volunteer sector and other groups are essential for defining and implementing a successful community development strategy.

- **Local Development Initiative**

The Local Development Initiative (LDI) is an important step in supporting locally determined and locally driven action. The Rural Development Action Plan includes:

- identify existing programs that support community action
- adjust existing programs to make them more supportive of community action
- support a communication plan
- assign staff for implementation of LDI

To further support community-based economic development, the government will:

- re-examine the role of the Regional Planning Commissions, with a view to providing a framework for regional planning activities across the province
- enhance entrepreneurial and leadership training
- improve access to business information

- **Alberta Local and Diversification Bonds Pilot Projects**

Alberta Local and Diversification Bonds is a major initiative currently being pursued in cooperation with the private sector. We are examining ways to encourage residents to invest in local and provincial projects, thereby providing capital for entrepreneurs and project developers. Three pilot projects will be launched in 1993 before the program is fully implemented.

- **Risk Insurance Fund**

A review is being conducted to explore the concept of a fund to be set up and financed through premiums paid by all firms, institutions and individuals who access government financial services. The fund would be used to cover losses by bond holders if projects should prove not to be viable. The use of a Risk Insurance Fund is an innovative and fair way to share investment risk while encouraging investment activity.



REGULATORY ENVIRONMENT - CHANGING THE WAY WE DO BUSINESS

- **Review of Regulations and Legislation**

Regulations are being reviewed to determine if they are required or can be simplified. The exercise will have two phases. In Phase One, all departments are identifying regulations and policies needing revision because they are seen to be unnecessarily cumbersome or outdated. This will be completed by September 1, 1993. Where possible, simplification of regulatory processes will follow immediately.

In Phase Two, input will be solicited from businesses to address areas of regulations which may hinder economic development or that have proven contentious in the past. We will invite input from all Albertans, especially small business, to help us identify simpler ways of doing business with government. This activity will be coordinated by the Department of Economic Development and Tourism.

- **Sunset Clauses on New Regulations**

When new regulations are introduced, sunset clauses will be used to ensure that all regulations remain relevant. There may also be instances where industry, in partnership with stakeholders, may become self-regulatory.

- **Streamline Administrative Practices**

We need to ensure that review processes are streamlined. Public safety and environmental accountability cannot be compromised. However, decisions regarding investment should not be unnecessarily delayed by bureaucratic procedures. Therefore, we will be revamping the internal government approval process for Environmental Impact Assessments (EIAs) to ensure it is streamlined and efficient.

- **Develop New Model For Electricity Pricing and Delivery**

Last year, the government established a private sector panel to review the fairness of the Electric Energy Marketing Act (EEMA). EEMA was initially set up to equalize the costs of generating and transmitting electricity to ensure that customers located in different regions of Alberta paid roughly the same rates for their power.

In February, 1993, the EEMA review panel report was released and the four major utilities in the province requested that the deadline for industry response be extended from March 15, 1993 to July 15, 1993. The utility companies have indicated their willingness to work toward a consensus on rate equalization and a new structure. Government supports this effort to develop an industry-based solution.

INTERNATIONAL STRATEGY



- **Target \$24 Billion in Exports by 1996**

Alberta currently exports approximately \$19 billion in goods and services. Every \$1 billion in exports creates 15,000 jobs. The Alberta government is setting a target of increasing exports to \$24 billion by 1996.

Specific markets for growth potential have been targeted in Southeast Asia, Australia and North America for products ranging from Alberta beef to technology transfer arrangements.

- **Increased Consultation With the Business Community**

The Minister of Economic Development and Tourism will consult on a regular basis with representatives of the tourism sector, other industry sectors, and the investment community to identify global market opportunities, and to ensure our international offices serve Alberta effectively.

- **Reorganize and Refocus International Offices**

Exports are an important source of new economic activity and will be supported with an aggressive international strategy. International offices will be reorganized and refocussed as an extension of Alberta's overall economic development strategy. Priorities for the offices will be tourism, trade, investment and immigration. The offices will also provide services to other departments and the Alberta business community.

A portion of cost savings from the restructuring will be used to increase Alberta's presence in new areas. A trade expert is now located in Tyumen, Siberia to help Alberta companies take advantage of Russian oil and gas opportunities, and we have added a new representative in Taipei in the Canadian Chamber Office. Should these new types of international initiatives prove as cost-effective as anticipated, we will expand to other locations.

- **Other Initiatives**

The International Business Information Systems (IBIS) will be enhanced, and a Forum for International Trade Training (FITT) will be provided at Grant MacEwan Community College. Alberta will aggressively promote the Reverse Trade Show marketing concept to entice more international business travellers to hold conferences and meetings in Alberta.



INTERGOVERNMENTAL PARTNERSHIPS

Alberta's economic future would be supported by clarification of responsibilities between the federal government, the province and municipalities. In a spirit of cooperation and shared purpose, the Alberta government will work to bring down barriers and build partnerships.

- **Reduce Overlap and Duplication**

A cooperative approach between the federal government, provincial government and municipalities will strengthen Alberta's economy.

Duplication and overlap will be targeted to ensure increased cost-efficiency. Similar or duplicate services and regulations result in undue confusion for businesses and individuals. Where appropriate, services and regulations will be harmonized to reduce this uncertainty and cut costs.

At the recent Canada-Alberta Economic meeting, we agreed to review the areas of agriculture, energy, environment, economic development, and labour market training to reduce overlap and duplication

Areas targeted for further intergovernmental partnerships:

- **Environment**

In Canada, overlapping jurisdiction for the environment has led to the introduction of an array of policies, guidelines and regulations which often make interpretation and business planning difficult.

There is an urgent need for increased intergovernmental cooperation to improve the predictability of environmental standards and the regulatory process. This will be critical to maintaining investor confidence in the Canadian and Alberta economies. Steps that the government will take are:

- *Ease the regulatory burden* - the Canadian Council of Ministers of the Environment will continue to harmonize environmental legislation, assessment and review procedures across jurisdictions.

- *Reduce federal/provincial duplication* - the Alberta and federal governments will work together to simplify the environmental assessment process by reducing duplication between the two governmental review processes, and by working toward the development of a "one-window" assessment process.
- *Reduce provincial/municipal overlap* - efforts will be made to reduce regulatory overlap between Alberta Environment, local planning authorities, Alberta Health, and local boards of health, in the areas of environment-related assessment and review.

• **Reduction of Interprovincial Trade Barriers**

Significant interprovincial barriers to trade, at a time when international trade barriers are being liberalized, continue to hamper economic development.

The Alberta government will continue to place a high priority on removing barriers so that businesses can freely compete in the Canadian marketplace. We are working with other provinces and the federal government to reduce trade barriers. Comprehensive negotiations will begin in June 1993 and should be completed within two years.

• **Joint Trade/Tourism Promotion**

Over the past several years, the western provinces have undertaken several initiatives to promote western economic development. We are continuing to seek opportunities for cooperation and are currently working on joint trade and tourism promotion initiatives.

In anticipation of the successful conclusion of NAFTA negotiations, we are working with the federal government in the promotion of Mexican trade and investment opportunities, particularly in the areas of oil and gas, food servicing, agriculture and tourism.

• **Regional Industry Alliances in Agriculture**

Western provinces have recently endorsed in principle the development of two new regional industry alliances to benefit the value added agriculture/food and environmental industries.

• **Transportation**

With Alberta's distance from market, development and maintenance of modern efficient transportation is critical. All aspects of infrastructure development (roads, railways, ports and air) must be focused on maximizing economic development opportunities.

There are many opportunities for federal/provincial and western cooperation on transportation issues. Western economic development ministers, along with their federal counterparts, are currently examining the feasibility of developing a pan-western transportation strategy.

The Alberta government will immediately commence the development of an Air Transportation Strategy for Alberta in consultation with the newly-formed airport authorities in Calgary and Edmonton. Smaller airports will also be consulted in order to identify opportunities in their areas.



JOB CREATION AND SKILL DEVELOPMENT

- **Build a Skilled and Flexible Workforce**

People are Alberta's most valuable resource, and their skills will be key to ensuring economic growth and stability.

Throughout all public consultations, Albertans have said that education and training are vitally important to our future well-being. Current global trends indicate the necessity of dynamic and results-based education, and developing skills and the ability to adjust to emerging technologies and on-the-job changes.

To achieve our vision and attain the new skills needed to keep Alberta competitive, education and training are high priorities of the Alberta government.

As a society, we must take action to create a culture committed to ongoing excellence in academic achievement and technical competence. There is a need to improve the level of basic skills among Albertans by ensuring that all students graduating from secondary school achieve a basic level of competence. Reducing the high school drop out rate and providing upgrading opportunities for adults are also priorities.

From elementary grades to post-secondary training, education must give Albertans competitive skills to succeed in the evolving world economy.

To do this, we need to increase private sector participation in education and training at all levels. Businesses can help foster the entrepreneurial attitudes and skills necessary to increase competitiveness. By fostering apprenticeship and work/study programs, business can assist the "school to work" transition.

There are many opportunities for cooperation. The Minister of Advanced Education and Career Development has been

working with a group of representatives from business, labour, equity and minority groups, to determine the need for a private sector labour market development and training board. This is an important step in bringing together various players to jointly set policy and manage the important issue of labour market training in Alberta.

The government will also begin a broad-based public consultation on how to rationalize educational and training services to adult Albertans. We want to foster a system of life-long learning which is responsive to social and economic needs, accountable for achieving results, and affordable for individuals, employers and government.

We will also simplify access to financial assistance for students by consolidating into one department the services previously provided by the Students Finance Board, Alberta Vocational Training Program, and related assistance under the *Supports for Independence* Program.

- **Target 110,000 Jobs to be Created Over Four Years**

As the government works toward building a climate conducive to wealth generation and job creation, it is anticipated that employment growth over the 1993-1997 period will be more robust.

With Alberta's new economic strategy, and in concert with businesses and communities, our target is the creation of 110,000 new jobs by 1997.

We are anticipating job growth of 13,900 in the manufacturing sector over the next four years, with 5,600 jobs in high technology manufacturing. The service sector will continue to create the highest number of jobs, with approximately 35% of the targeted 110,000 jobs created in this sector. The service and manufacturing sectors will both benefit from new government initiatives to stimulate exports.

Tourism and travel is expected to experience significant growth, with 17,800 jobs created in this industry.

SEIZING OPPORTUNITY

Alberta has weathered a tough recession, and stands ready to meet the challenges of the 21st Century — with an economic strategy designed to position Alberta at the forefront of economic recovery.

“To meet the challenges, to confront the future, to keep Alberta strong, we require a new plan, an economic development strategy that positions Alberta to compete at the close of one century, and at the dawn of another.”

Premier Ralph Klein
April 22, 1993

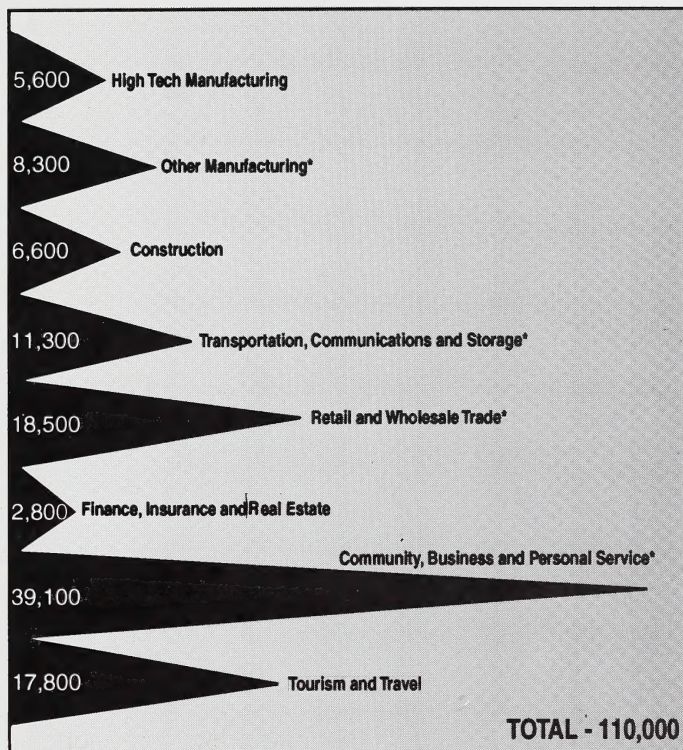
Our pride and our strength as a province has always been our people. A determination to succeed, a willingness to work hard, and a faith in the ability of families and communities to solve problems together, have been the cornerstones of Alberta's growth.

Throughout our history, Alberta has faced the need to adjust to change and develop new approaches to meet the challenges before us. This decade is no exception. We face a global economy which shifts on a daily — sometimes hourly — basis, and we need a new focus on anticipating and preparing for those changes.

We now have a map to guide Alberta's economic development and diversification. This strategy provides directions that will take Alberta squarely into the forefront of a new kind of frontier — a place where opportunities await those who have the courage to seize them, and where our pioneering spirit will serve us well.

This strategy has been built upon a single, simple concept: there is no limit to what Alberta — and Albertans — can accomplish if we work together.

Forecast of Job Creation by Industry 1993-1997



Source:

Job Creation Forecasts are based upon data from Economic Development and Tourism; Advanced Education and Career Development; and the Alberta Bureau of Statistics

* Indicates that in order to create the specialized industry categories, i.e. Oil and Gas, High Tech Manufacturing and Tourism, some sub-industries have been moved

DEFINITIONS:

High Tech Manufacturing: Plastics, Pulp and Paper, Refined Petroleum and Coal, Chemicals, Aircraft and Parts, Electric and Electronic Products

Other Manufacturing: Fish Products, Other Food Processing, Beverages, Tobacco, Rubber, Leather, Textiles, Clothing, Paper Products, Printing and Publishing, Wood, Furniture, Primary Metals-Ferrous, Primary Metals-Non-ferrous, Metal Fabrication-Machinery (except electric), Motor Vehicles, Trailers-Parts, Shipbuilding, Railroad Rolling Stock etc., Non-Metallic Mineral Products, Other Manufacturing

Construction: Construction

Transportation, Communication, Utilities and Storage: Water Transport, Truck Transport, Pipelines, Storage and Warehousing, Radio and Television, Telecommunication Carriers and Other, Postal and Courier Services, Electric Power, Gas Distribution, Water and Other Utilities

Trade: Wholesale Trade, Retail Trade (less Souvenir Shops)

Finance, Insurance and Real Estate: Finance, Insurance and Real Estate

Business, Personnel and Community Services: Advertising, Professional Business Services, Personal and Household Services, Other Service Industries (less Travel Service), Education, Hospitals, Physical Health Practitioner, and Medical Laboratory Services, Other Health and Social Services

Tourism and Travel: Air Transport, Rail Transport, Public Transit and Other, Accommodation and Food Services, Amusement and Recreation Services, Souvenir Shops, Travel Services

Public Administration: Federal Administration, Provincial and Territorial Administration, Local and Other Government



Alberta
GOVERNMENT OF ALBERTA